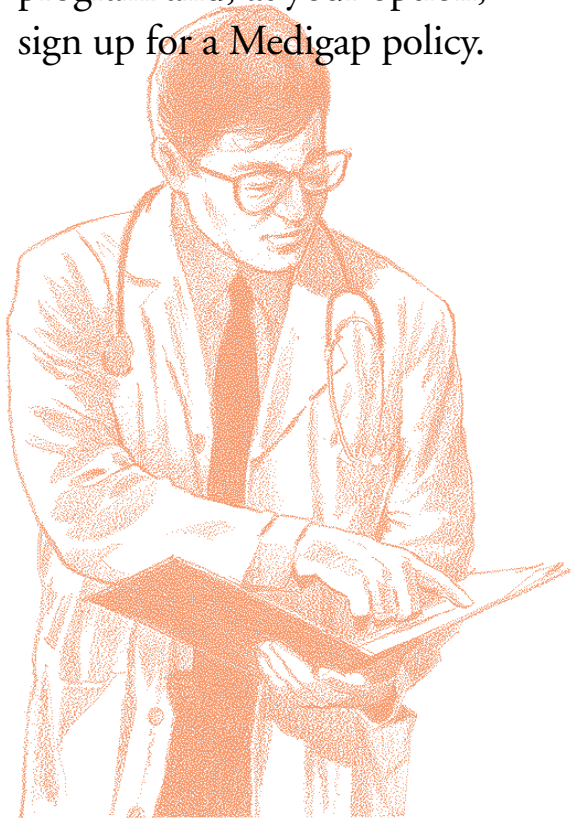


3 Things to Remember

- No matter what happens, you are still in Medicare.
- Your current HMO is required to cover you until December 31.
- If you are affected by a plan non-renewal, you have time to make a choice. Consider these two options carefully: transfer to another HMO in your area; or return to the original Medicare program and, at your option, sign up for a Medigap policy.



SENATOR JACKIE SPEIER

District Offices

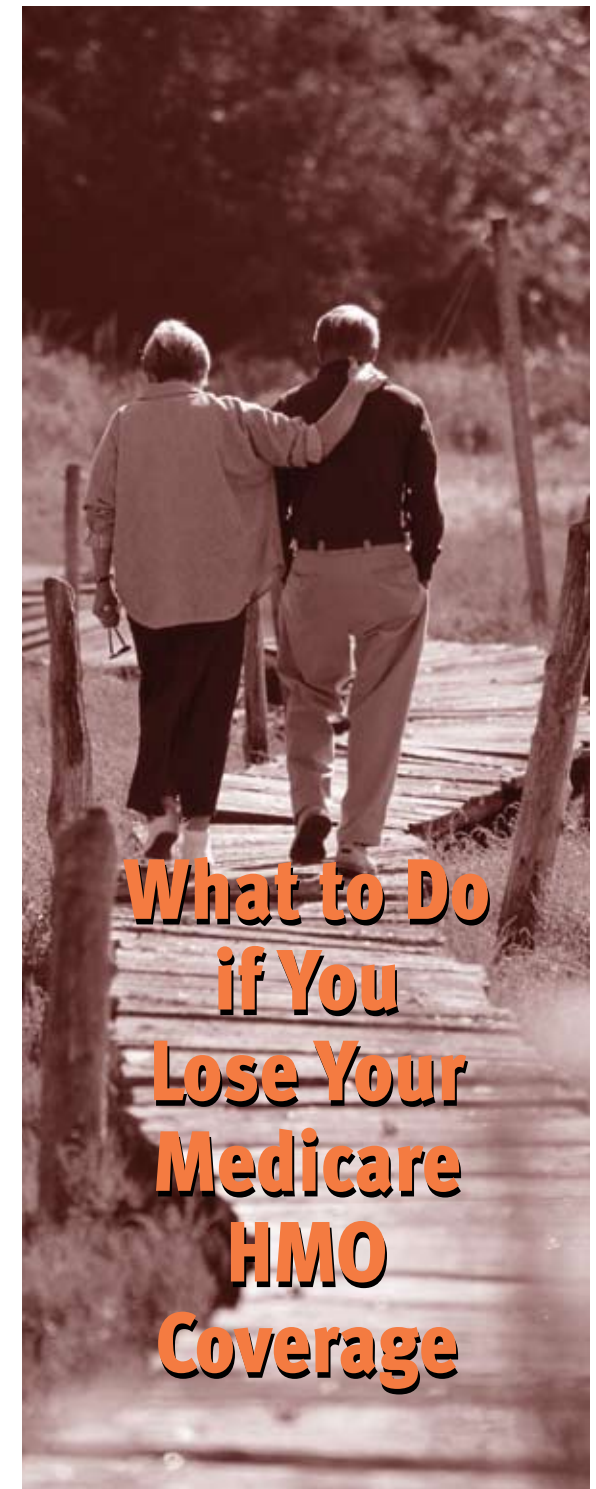
400 S. El Camino Real, Suite 630
San Mateo, CA 94402
(650) 340-8840

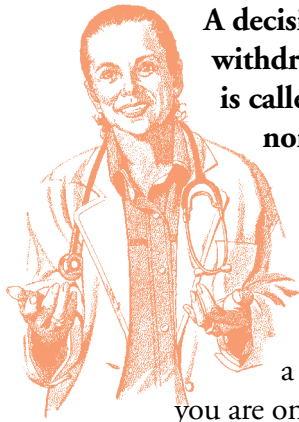
455 Golden Gate Ave., Suite 14200
San Francisco, CA 94102
(415) 557-7857

Capitol Office
State Capitol, Room 2032
Sacramento, CA 95814
(916) 651-4008

email: senator.speier@sen.ca.gov
web: www.sen.ca.gov/speier

You can subscribe electronically to Senator Speier's Legislation, Press Releases and Consumer Alerts by visiting the "publications" link on the senator's web site.





A decision by an HMO to withdraw from Medicare is called a termination or non-renewal. If you are in the original fee-for-service Medicare program, you do not need to make any changes. If you are in a Medicare HMO plan, you are only affected if your

plan is being terminated – you will still be covered by Medicare. Individuals affected by a plan termination receive a notice in early November – the HMO is required to cover you until December 31 of that year. You have time to make a choice. Call the Health Insurance Counseling and Advocacy Program (HICAP) office for help at 1-800-434-0222 or call your benefits representative if you are a retiree of a group plan.

What are My Options if I was Dumped by My HMO?

1 You may immediately join another Medicare HMO in your area (if there is one), which is required to accept you for enrollment (except for persons with End Stage Renal Disease).

OR

2 You may return to the original Medicare plan effective January 1 of the following year and, at your option, purchase certain Medigap plans on a guaranteed basis. These plans, known as A,B,C, F, and H, I, or J, will accept you without restrictions due to preexisting

conditions. But you must not quit your HMO before December 31 of the previous year on your own, or you will lose this guarantee. A Medigap plan requires an additional monthly premium and will pay for some of your out-of-pocket costs such as your Medicare deductible or co-payment. The H, I or J plans cover prescription drugs. Note: Medicare enrollees under the age of 65 have more limited guarantees.

What Else Should I Do?

1 **Shop around** when purchasing a Medigap policy, because the prices vary drastically by insurance company – even when they offer the same benefits in the same location. Also ask if and how your Medigap premiums will increase in the future.

A new website offered by the California Department of Insurance provides a guide for premium comparisons on Medigap Insurance: www.insurance.ca.gov. This site offers answers on a variety of issues to help you make better decisions regarding the purchase of these benefits.

2 **Check** if there are other Medicare HMO options in your area and ask about their benefits and premiums. If you live in Alpine, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Imperial, Inyo, Lake, Lassen, Mendocino, Merced, Modoc, Mono, Monterey, Nevada, Plumas, San Benito, Shasta, Sierra, Siskiyou, Tehama, Trinity or Tuolumne county, you have no other HMO alternatives.

VERY IMPORTANT

1 Do **NOT** quit (disenroll) from your HMO until you have signed up with another HMO or Medigap plan and have proof of acceptance (membership card or letter of acceptance). If you quit before December 31, you will lose your federal guarantee to purchase a basic Medigap policy.

2 Keep the **HMO letter** that notified you of your membership termination. Attach it to your application for a Medigap policy as proof of your right to purchase it on a guaranteed basis. Apply for your Medigap policy as soon as possible so your benefits start as close to January 1 of the following year as possible.

3 When you keep your HMO through December 31, you only have until **March 3** of the following year to obtain a Medigap A,B,C, F, and H, I or J policy on a guaranteed basis.



Where Can I Receive More Information?

- 1.** Call the Health Insurance Counseling and Advocacy Program (HICAP) at 1-800-434-0222 (9am – 3pm)
- 2.** Check the federal Medicare website: www.medicare.gov
- 3.** Check the CA Department of Insurance website: www.insurance